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BUS606: Strategic Global Marketing Management
Module 2 Assignment

Short Answer (4 to 5 sentences)

1. *Describe the difference between a market and an industry.*

The primary distinction between a market and an industry is that a market refers to a narrower group of businesses that create comparable goods or services, whereas an industry refers to a larger group of consumers or clients that a company tries to offer its products or services to.

2. *What are the six major categories of the macroenvironment? Provide some examples for some of these.*

The macroenvironment can be divided into six main categories: global, technical, sociocultural, political/legal, economic, and demographic. Examples include shifts in population size and age distribution in the demographic category, changes in interest rates and inflation in the economic category, adjustments in rules and laws in the political and legal realm, improvements in communication technology in the technological realm, changes in sociocultural norms and values in the sociocultural realm, and adjustments in international trade agreements in the global sense.

3. *There are five major forces that determine industry attractiveness (Porter's Five Competitive Forces). Briefly define each one.*

Porter's Five Competitive Forces include the threat of new entrants, suppliers' and buyers' negotiating power, the danger of substitute goods and services, and the level of competitiveness in the market. The likelihood of new entrants into the market is referred to as the threat of new competitors, the bargaining power of suppliers and buyers is referred to as the control that these groups have over prices and quality is referred to as the threat of substitute products or services is referred to as the availability of alternative products or services, and the intensity of competitive rivalry is referred to as the degree of competition among current firms in the industry.

4. *Briefly define the following forecasting methods: statistical methods, surveys/focus groups, and market tests. Provide a brief example/scenario where one of these three would be effective.*

Although surveys and focus groups gather client opinions and input, market tests include presenting a product or service to a small market to evaluate its viability, and statistical approaches involve evaluating historical data to anticipate future trends. A new technology business might, for instance, interview prospective customers to get their opinion, anticipate future demand for their products using statistical methods, and test the market by debuting a product in a small area to see how people react before launching it widely.

5. *The text describes several 'cautions and caveats' in forecasting. Explain any two of these.*

The fact that projections are not always correct and can be affected by unforeseen occurrences, as well as the fact that forecasts are based on assumptions and can not always take all important elements into account, are two warnings and caveats in forecasting.

6. *Define customer relationship management, or CRM.*

In order to increase customer happiness and retention, customer relationship management (CRM) refers to the process of managing and evaluating customer interactions and data. This include gathering, analyzing, and utilizing client data to enhance marketing and customer service initiatives.

7. *Briefly describe the three important steps in the market segmentation process. How can we segment markets?*

The three crucial processes in the market segmentation process are segment profile development, segment attractiveness assessment, and segment basis identification. The following are some examples of market segmentation: geographic segmentation based on location; demographic segmentation based on age or income; psychographic segmentation based on values and lifestyle; and behavioral segmentation based on consumer behavior.

8. *What is the five-step process for choosing attractive market segments?*

Evaluation of market segments, selection of target market(s), identification and development of a positioning strategy, development of a marketing mix for each target segment, and evaluation of the attractiveness of each target segment are the five steps in the process for selecting attractive market segments.

9. *Compare and contrast a niche-market strategy vs a mass-market strategy vs a growth-market strategy.*

A niche-market strategy focuses on a narrow and small market segment, a mass-market strategy on a wide and vast market sector, and a growth-market strategy on a market section with room for expansion.

10. *Define brand positioning.*

The way a brand is viewed by customers in comparison to its rivals is known as brand positioning. It entails locating a distinctive and appealing place for the brand in consumers' perceptions.

11. *Compare / contrast physical and perceptual positioning analyses. Exhibit 7.2 might assist.*

Depending on the product and the market sector, one may choose between physical and perceptual positioning analyses. Although some items are extremely utilitarian and call for a more concrete positioning approach, other products are more emotive and call for a more perceptual strategy. In order to effectively position a product or service, it is essential to have a thorough awareness of the requirements, preferences, and perceptions of the target market as well as the ability to articulate a compelling value proposition that appeals to them.

12. List the seven steps in the brand positioning process.

- Identify relevant set of competitive products serving a target market.
- 2. Identify the set of determinant attributes that define the "product space" in which positions of current offerings are located.
- 3. Collect information from a sample of customers and potential customers about perceptions of each product on the determinant attributes.
- 4. Determine brand's current location (positioning) in the product space and intensity thereof.
- 5. Determine customers' most preferred combination of determinant attributes.
- 6. Examine the fit between preferences of market segments and current position of brands.
- Identify positions where additional new brands might be placed.
- 7. Write positioning statement or value proposition to guide development and implementation of marketing strategy.

13. What is the outcome of effective positioning?

Effective Positioning creates an increased customer base, loyalty and customer buy in. Effective positioning can also improve the level of greater brand awareness, and of couse increase sales profitability.